

Hearing Date and Time: December 17, 2013 at 10:00 a.m. (ET)

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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re: : Chapter 11  
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Residential Capital, LLC, et al., : Case No. 12-12020 (MG)  
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Debtors. : Jointly Administered  
:   
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**OMNIBUS RESPONSE OF CERTAIN COMMITTEE PROFESSIONALS WITH  
RESPECT TO THE U.S. TRUSTEE'S OBJECTION TO THE FOURTH INTERIM  
APPLICATIONS FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES**

TO THE HONORABLE MARTIN GLENN,  
UNITED STATES BANKRUPTCY JUDGE:

The Committee Professionals<sup>1</sup> hereby file this omnibus response (the “**Response**”) with respect to the Omnibus Objection of the United States Trustee Regarding Fee Applications for Fourth Interim Awards of Compensation and Reimbursement of Out-of-Pocket Expenses (the “**Objection**”) [Docket No. 6047].<sup>2</sup> The Committee Professionals respectfully submit as follows:

### **RESPONSE**

1. On November 18, 2013, the Committee Professionals filed the following applications (collectively, the “**Applications**”) seeking allowance of fees and reimbursement of expenses for the Fourth Interim Fee Period:

- **Kramer Levin**: Kramer Levin sought an allowance of fees aggregating \$11,386,709.50 and reimbursement of expenses aggregating \$412,285.71 (the “**Kramer Levin Application**”).
- **AlixPartners**: AlixPartners sought an allowance of fees aggregating \$2,156,280.50 and reimbursement of expenses aggregating \$1,309.41 (the “**AlixPartners Application**”).
- **Epiq**: Epiq sought an allowance of fees aggregating \$29,092.70 and reimbursement of expenses aggregating \$8,697.64 (the “**Epiq Application**”).
- **Moelis**: Moelis sought an allowance of fees aggregating \$1,200,000.00 and reimbursement of expenses aggregating \$20,364.50 (the “**Moelis Application**”).
- **Pachulski Stang**: Pachulski Stang sought an allowance of fees aggregating \$2,322,386.50 and reimbursement of expenses aggregating \$28,182.74 (the “**Pachulski Stang Application**”).

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<sup>1</sup> The “**Committee Professionals**” consist of: Kramer Levin Naftalis & Frankel LLP (“**Kramer Levin**”), counsel to the Official Committee of Unsecured Creditors (the “**Committee**”) of the above-captioned debtors and debtors-in-possession (collectively, the “**Debtors**”) in the above-referenced chapter 11 cases (the “**Chapter 11 Cases**”), AlixPartners, LLP (“**AlixPartners**”), financial advisor to the Committee, Pachulski Stang Ziehl & Jones LLP (“**Pachulski Stang**”), co-counsel to the Committee, Epiq Bankruptcy Solutions, LLC (“**Epiq**”), information agent for the Committee, Moelis & Company LLC (“**Moelis**”), investment banker to the Committee, SilvermanAcampora LLP (“**Silverman**”), special counsel for the Committee, and Wilmer Cutler Pickering Hale and Dorr, LLP (“**WilmerHale**”), special counsel for the Committee.

<sup>2</sup> Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Objection.

- Silverman: Silverman sought an allowance of fees aggregating \$422,933.50 and reimbursement of expenses aggregating \$2,821.54 (the “Silverman Application”).
- WilmerHale: WilmerHale sought an allowance of fees aggregating \$246,850.00 and reimbursement of expenses aggregating \$831.53 (the “WilmerHale Application”).

2. On December 9, 2013, the United States Trustee for the Southern District of New York (the “U.S. Trustee”) filed the Objection, pursuant to which the U.S. Trustee objected to certain fees and expenses requested in the Applications, and requested additional documentation or explanation to support certain fees and expenses of the Committee Professionals.

3. Following the filing of the Objection, the Committee Professionals conferred with the U.S. Trustee and agreed to the resolution of all of the U.S. Trustee’s objections, as set forth in further detail below:

- Kramer Levin. To resolve the U.S. Trustee’s objection on the grounds that one professional not yet admitted to the bar should be billing at a reduced rate, Kramer Levin agreed to a fee reduction with respect to this attorney (who passed the bar and whose admission is pending) in the amount of \$14,238.50. With respect to those time entries identified by the U.S. Trustee as purportedly “vague,” Kramer Levin provided revised time entries to the U.S. Trustee and agreed to a voluntary reduction of its fees in the amount of \$58,444.60. In addition, to resolve the U.S. Trustee’s objections to certain of Kramer Levin’s requested expenses, Kramer Levin agreed to reduce its expenses request by \$4,000.00 for meeting expenses. With these reductions, Kramer Levin requests entry of an order approving interim compensation in the amount of \$11,314,026.40 and interim reimbursement of expenses in the amount of \$408,285.71.
- AlixPartners. To resolve the U.S. Trustee’s objection to the AlixPartners Application, AlixPartners provided the U.S. Trustee with additional information relating to the nature of AlixPartners’ e-discovery processing and hosting services, and agreed to a voluntary reduction of its fees in the amount of \$196.00 relating to time spent preparing fee applications. The agreed upon reduction relating to time spent preparing fee applications will be deducted from AlixPartners’ December 2013 invoice, rather than from the amounts requested in the Fourth Interim Fee Application. With this resolution, AlixPartners requests entry of an order approving interim compensation of fees aggregating \$2,156,280.50 and interim reimbursement of expenses aggregating \$1,309.41.
- Epiq. To resolve the U.S. Trustee’s objection to the Epiq Application, Epiq agreed to a voluntary reduction of its fees in the amount of \$3,815.97 for time spent preparing fee

applications. With these additional reductions in fees, Epiq requests entry of an order approving interim compensation in the amount of \$25,276.73 and interim reimbursement of expenses aggregating \$8,697.64.

- **Moelis**. To resolve the U.S. Trustee's objection to the Moelis Application, Moelis agreed to a voluntary reduction of its expenses in the amount of \$4,500.00. With these additional reductions in expenses, Moelis requests entry of an order approving interim compensation in the amount of \$1,200,000.00 and interim reimbursement of expenses aggregating \$15,864.50.
- **Pachulski Stang**. To resolve the U.S. Trustee's objection to the Pachulski Stang Application, Pachulski Stang agreed to a voluntary reduction of: (i) \$1,642.50 for fees relating to the review and revision of time records; (ii) \$1,084.32 for meal expenses; (iii) \$20,920.50 for fees relating to multiple attendees at internal meetings; and (iv) \$1,352.68 for fees relating to non-matched entries. With these reductions in fees and expenses, Pachulski Stang requests entry of an order approving interim compensation in the amount of \$2,298,470.82 and interim reimbursement of expenses in the amount of \$27,098.42.
- **Silverman**. To resolve the U.S. Trustee's objection to the Silverman Application, Silverman agreed to a voluntary reduction of its fees in the amount of \$1,295.50. With these additional reductions in fees, Silverman requests entry of an order approving interim compensation in the amount of \$421,638.00 and interim reimbursement of expenses in the amount of \$2,821.54.
- **WilmerHale**. To resolve the U.S. Trustee's objection to the WilmerHale Application, WilmerHale agreed to a voluntary reduction of its fees in the amount of \$367.50 for multiple attendees at meetings, \$616.50 for transitory timekeepers, and \$5,000 for staffing inefficiencies, for an aggregate reduction in fees of \$5,984.00. With these additional reductions in fees, WilmerHale requests entry of an order approving interim compensation in the amount of \$240,866.00 and interim reimbursement of expenses aggregating \$831.53.

4. For the avoidance of doubt, the Committee Professionals' proposed voluntary reductions set forth herein are without prejudice to their future positions in these cases or in other cases in which they are retained.

5. Accordingly, the Committee Professionals respectfully request that this Court approve the fees and expenses requested in the Applications (subject to the voluntary reductions set forth herein).

Dated: New York, New York  
December 16, 2013

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